

Trans-Pacific Partnership

What's at Stake for Iowa Agriculture?

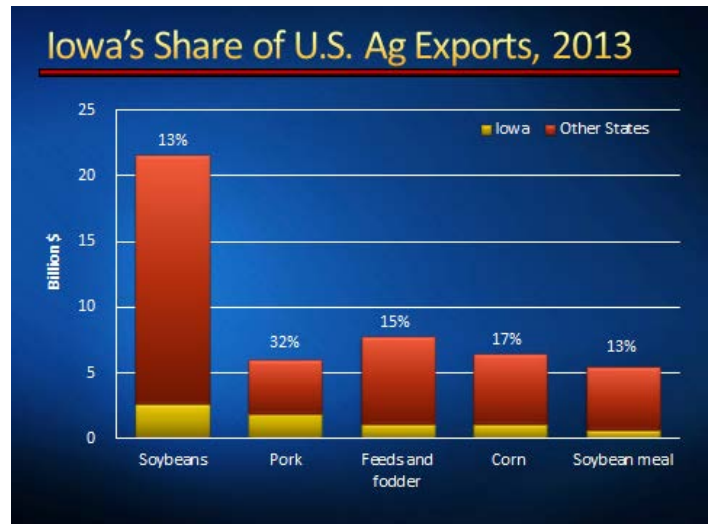
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Iowa is a leading producer and exporter of agricultural products, ranking 2nd among the 50 U.S. states in the value of its agricultural exports in USDA's most recent calculations. Iowa's agricultural exports reached an estimated \$10.2 billion in 2013*, up from \$8.3 billion in 2009. Iowa's exports help boost farm prices and income, while supporting about 77,300 jobs both on the farm and in related industries such as food processing, transportation, and manufacturing.

Iowa's top five agricultural exports in 2013 were:

1. Soybeans – \$2.7 billion
2. Pork – \$2 billion
3. Feeds and fodder – \$1.2 billion
4. Corn – \$1.1 billion
5. Soybean meal – \$686 million

Nationwide, U.S. food and agricultural exports reached a record \$150 billion in 2014, supporting more than one million American jobs. Global demand for these products is growing but so is competition among suppliers.



*State-level export data for 2014 will not be available until October 2015.

Trans-Pacific Partnership

The Asia-Pacific region includes some of the world's most robust economies. The Trans-Pacific Partnership (TPP) with Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, and Vietnam is an opportunity to advance U.S. economic interests in a critical region that accounts for 40 percent of the world economy, and to respond to the regional and bilateral trade agreements being negotiated by our competitors. A high-standard TPP agreement that opens markets will support expansion of U.S. agricultural exports, increase farm income, generate more rural economic activity, and promote job growth.

Agricultural Benefits from the TPP

In countries where the United States has free trade agreements, exports of U.S. food and agricultural products have grown significantly. Recent examples include our pacts with Chile, Colombia, Panama, South Korea, and CAFTA-DR (five Central American countries and the Dominican Republic), where trade agreements have boosted U.S. exports. The TPP promises similar benefits.

- **Soybeans and Soybean Products:** Japan is the fourth-largest export destination for U.S. soybeans, accounting for around \$1 billion a year in sales despite some soybean products facing tariffs as high as 20 percent. Under the agreement, tariffs across the TPP region will be cut, offering new market access opportunities to U.S. producers and exporters of soybeans and soybean products. In 2014 the United States exported \$5.5 billion of this product to the TPP region.
- **Pork:** U.S. exports of pork to Japan face high tariffs and a complicated import system. Under the agreement, tariffs across the TPP region will be cut and the import system simplified, offering new market access opportunities to U.S. pork producers and exporters. In 2014 the United States exported nearly \$5 billion of pork and pork products to the TPP region.